

Accused Men Denounced as Aids of 'Reds'

Continued from preceding page

of Mr. Stedman's argument, Mr. Littleton, for the committee, began an eloquent and fiery refutation of his opponent's claims.

"The representation with reference to what these five men did," said Mr. Littleton, "and what they profess, and what they engaged to do, stands out as plainly as anything can stand out. They gave their allegiance wholly and solely to an alien and invisible empire, known as the International."

"It stands out that they are the citizens not in reality of the country which sustains and maintains them but of this invisible empire, which projects itself as a revolutionary force into every country, menacing its institutions and threatening its overthrow. Their allegiance, before they ever entered upon the threshold of this chamber, was given to this empire, which masquerades at one time with the softness of parliamentary reform, and which declares itself in favor of revolution when it is convenient to the empire and time where it may so desire."

"It is to that alien state, pledged to the destruction of this government and its institutions, that these charges are made. These men belong to and act for it."

"That is the alien state to which, before the five members ever had entered into this chamber, they had pledged their fortune and honor and allegiance; and that alien state is the invisible empire of revolutionary force, thrusting itself into the bosom of this constitutional republic, and endeavoring to overthrow this government, embodied as it is, in the organic constitution of the country; doing it by force, if necessary, perhaps by peace, if possible."

"That is the program that is charged, Mr. Chairman. It is a Bolshevik program, a wild speculation. And it is one which has been suggested, determined, in parliamentary bodies and public utterances, the forces that lie behind to which they do not hesitate to pledge their solidarity."

Branded as Agents Of Lenin and Trotsky

"Perhaps at a later day in this proceeding we shall ascertain the specific program to which they have pledged themselves, the program of Mr. Lenin and Mr. Trotsky. It is not that Lenin and Trotsky are trying to reform Russia or change Russia."

"It is because Lenin and Trotsky, acting through these agencies, are proposing the installation of the same kind of government in constitutional America that they have inaugurated in Russia. And these are the agents, and the instructors according to the charge, to carry out that program."

"Quis is a government, a constitutional republic, in the center of whose crown is the jewel of the Constitution. Before that Constitution was adopted, Mr. Chairman, when the Revolutionary fathers gathered at the table to write the great proclamation of the rights of men, they said we held the truth to be self-evident, that all men are created equal and endowed by their Creator with certain inalienable rights, among which are life, liberty and the pursuit of happiness."

"These ideals are the embodiment of the Constitution which these men have sworn to support. To the oath and support no alien, invisible empire, having one corner of it resting in the heart of Soviet Russia, another corner of it resting upon the shoulders of the State of Germany, and another resting somewhere else, to which you swore allegiance, but to this country and this standard. That is the ideal for which we take the oath and undertake to support."

"If it be true, Mr. Chairman, that these members under investigation have given their allegiance and support to their absolute obligation to obey the dictates of the dues-paying members of their organization, who may be sane and to whom it is against any and all the obligations which the government may impose, and to do it despite whatever may be demanded by the majority of the people in their district, then the members of this committee as a policy of representative government is to defend constructive treason if not actual."

Littleton Points An Analogous Case

"Suppose it could be proved that members in this body had given their obligation in writing to the bankers of New York City that when the bankers became dissatisfied with their conduct in the Assembly they could file their resignations and take them out of the Assembly; would anybody doubt that such a member coming here under such conditions, the facts having been made clear, would be expelled from this body? Could anybody doubt the wisdom or the propriety, not merely the power, of such a proceeding?"

"Mr. Chairman, before this investigation is over and before the waves of public indignation have been finally subsided—I make no threat, but I make a prediction that this country will understand that this so-called political party, masquerading as a political party and under the guise and name of a political party, is the agent and the conspirator with the dark forces of this invisible empire, whose object is forcible destruction of constitutional government in America."

"This case will reach further as time goes on, and when we come to understand that everything that embarrasses our ideals of liberty and which we expect our children to take from us unpunished, everything which came to us as the product of those illustrious men to whose labor and genius we owe everything we have, when we understand that this is the object of the deliberate assault of these men, waged in words of peace when compelled to but used as violence and force when they dare, and that this is the overthrow of constitutional liberty in America."

Socialists Demand Bill of Particulars

"I say that question, before it is over, will arouse this country. It will not be a temporary in the teapot, Mr. Chairman. It will be a question of whether they can hypocritically masquerade as a political party and strike hands with every agency of force and revolution and still make simple American people understand that they are not sworn enemies of their country and ready to overthrow it."

"That question will yet be understood and must be understood. I say, therefore, Mr. Chairman, the charges are not innocuous, that the charges are inadequate. I submit that these charges lay upon your conscience and upon your judgment, the discharge of the duty to your country, greater than any other duty to which you have been sworn."

"The motion was denied."

"Then followed the Socialists' demand for a bill of particulars, which also was denied. This ended the day's session, with the usual discussion on motions. When the committee meets tomorrow morning at 10:30."

o'clock the taking of testimony will begin.

3,000 'Reds' Soon Will Know Fate

Test Cases Argued to Decide if Communists Are Subject to Deportation

WASHINGTON, Jan. 21.—Arguments in test cases brought by attorneys for the Communist party against the deportation of the party arrested in Chicago during the recent nationwide raids were heard to-day by Secretary of Justice.

The decision of the Secretary, which was promised within the next two days, will determine whether in general membership in the Communist party brands an alien as a subject for deportation, and will affect the case of four members of the party arrested in Chicago during the recent nationwide raids were heard to-day by Secretary of Justice.

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Trial of Ousted Five Will Cost \$100,000

ALBANY, Jan. 21.—The Assembly tonight adopted the resolution of Majority Leader Simon I. Adler, which was reported by the Judiciary Committee, providing that the expenses of the Judiciary Committee in connection with the trial of the ousted Socialist Assemblymen shall be paid from the contingent fund.

While the resolution mentions no amount, it is estimated that the trial will cost the state more than \$100,000. Resolutions calling for the daily printing and general distribution of 10,000 copies of testimony and for supplying the members with copies of the charges and resolutions suspending the Socialists were referred to the Printing Committee.

Ohio Conceded To Republicans By Democrats

Continued from page 1

of labor. They cite the case of his removal of the Mayor of Canton when that official did not maintain order during the steel strike, while at the same time they demand that troops be sent to the heart of Soviet Russia, another corner of it resting upon the shoulders of the State of Germany, and another resting somewhere else, to which you swore allegiance, but to this country and this standard. That is the ideal for which we take the oath and undertake to support."

"If it be true, Mr. Chairman, that these members under investigation have given their allegiance and support to their absolute obligation to obey the dictates of the dues-paying members of their organization, who may be sane and to whom it is against any and all the obligations which the government may impose, and to do it despite whatever may be demanded by the majority of the people in their district, then the members of this committee as a policy of representative government is to defend constructive treason if not actual."

Chance of Divided Delegation

It is possible that the delegation will be divided, with Pomerehne holding the six delegates from the three districts mentioned and Cox the remaining forty-two. This would correspond with 1912, when the Newton Baker forces won a minority of the delegation for Hudson Harmon.

The preferential primary, however, is state-wide, and every one apparently expects it to endorse Cox as first choice. The voters express themselves as to second choice, also, and it is thought that it will be impossible for any candidate outside of Ohio to take the second choice preference away from Pomerehne.

Polls taken recently by "The Cincinnati Enquirer" and other agencies show that Cox leads the field of Democratic candidates by a wide margin. They show that McAdoo is far and away the most popular candidate of those outside the state. Efforts have been made to sound out Hoover sentiment, particularly by the Scripps newspapers, which are an important factor in Ohio, but no headway has been made in this direction.

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Then followed the Socialists' demand for a bill of particulars, which also was denied. This ended the day's session, with the usual discussion on motions. When the committee meets tomorrow morning at 10:30."

I. R. T. Paid Dividend of 17% in 1918

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and as recently as the fiscal years 1918 and 1919.

"Isn't it true that the Interborough paid 18 1/2 per cent in dividends in six years and as high as 20 per cent in one year?" the Mayor asked.

"That's true," replied the Interborough auditor.

"Wasn't a dividend paid on Interborough stock in the fiscal year 1919?" the Mayor persisted.

"Yes; 2 1/2 per cent in the first quarter."

Corporation Counsel Burr here stated that the company dividends had been 17 per cent during the fiscal year 1918 and 5 per cent for the first six months of the fiscal year 1919.

"Wasn't the net income of the Interborough for the fiscal year 1918?" Mr. Burr inquired.

"The net corporate income was \$4,662,498.92," Mr. Gaylor replied.

"And for the previous fiscal year?"

"It was \$8,356,558.52."

17 Per Cent Dividend in 1918

"What were the dividends for 1918?"

"They amounted to \$6,125,000, or 17 per cent."

"I want to call this state of facts to your attention," Mr. Burr said to the investigating board.

"In spite of the fact of only \$4,000,000 income for 1918, or half that of the previous year, dividends of more than \$1,000,000 above net income were declared."

Turning to the witness, Mr. La Guardia asked:

"What explanation is there of such a proceeding?"

"The only explanation I can find," Mr. Gaylor said slowly, "is that although the dividends were not earned that year they were earned prior to that year."

"Wasn't a surplus put aside during the period when the high dividends were being paid?" Mr. La Guardia asked.

"Yes, twenty millions," replied the witness.

"What was done with it?"

Queens County Lines Saved

"Eleven or twelve millions were spent for the electrification and third-tracking of the elevated. The balance was advanced to the New York & Queens County Railway Company so that it could continue its operation."

"Wasn't that company insolvent?"

"It would have been if we hadn't loaned it money from time to time," Mr. Quackenbush explained.

Mr. Quackenbush explained that the Interborough owned 22,045 of the 22,500 shares of the Queens company, and that the transaction was "taking money from one pocket and putting it into another."

He justified the payment to the Queens company on the ground that this service to the people of Queens would have been cut off long ago without the subsidy.

Mr. La Guardia requested that a list of the stockholders of the New York & Queens company be introduced at the next hearing, and this was promised by Mr. Quackenbush.

Mr. Quackenbush said the list closely to find just why the Interborough took such interest in the affairs of the Queens system.

\$1,000,000 From Holding Company

Mayor Hylan questioned Mr. Gaylor, bringing out that the Interborough had a balance of \$292,000 during 1918-19 after meeting interest and sinking fund and other charges.

"Wasn't this sum used to help pay the lease on the Manhattan Elevated Railway Company?" the Mayor wanted to know.

"It went into the general treasury," the witness replied. "The subway lines fell very far short of meeting all their charges, however."

The Mayor got confirmation of the fact that the Interborough Rapid Transit Company had to borrow \$1,000,000 recently from the Interborough Consolidated Company, the holding corporation, although the latter was in the hands of a trustee in bankruptcy.

If the Interborough Rapid Transit Company had saved some of the 18 1/2 per cent it gave in dividends during the last sixteen years, it wouldn't be in this fix to-day," commented the Mayor.

"Don't you think the people who got the dividends could be operated in some way and help the city forward now and help the city forward?" Don't you think the stockholders ought to go into their own pockets instead of the company going into the pockets of the people?"

Mr. Quackenbush agreed with the Mayor on the misfortune of being caught without a surplus fund, but said that the European war, which could not be foreseen, was the real cause. As to the suggestion that the stockholders who got fat dividends come forward now, the Interborough attorney said the thing was impossible, legally, that the stockholders had changed largely since the decline in the value of the securities, and that this aid would only be postponing the crisis to another day.

"If on April 1, or on July 1, our income shouldn't meet our demands, however," Mr. Quackenbush added, "I should hope that our present stockholders would help us out. They can't do anything for what happened in the past."

"Isn't it correct that the Interborough has paid \$65,000,000 in dividends in the last sixteen years?" the Mayor asked.

"I'll take your word for it," the Interborough attorney conceded.

Horace M. Fisher, secretary of the Interborough testified that the services

Prices of Food Still Going Up

WASHINGTON, Jan. 21.—Increases of from 10 to 100 per cent in wholesale prices of staple meats and vegetables in New York City since August 15 were shown by figures made public to-day by the Department of Agriculture.

The figures showed that from August 15, the approximate date of the launching of the Department of Justice's campaign to reduce living costs, prices of staple articles in New York increased as follows: White potatoes, 13 per cent; cabbage, more than 100 per cent; onions, from \$3.25 a hundred pounds to \$6.30 a hundred pounds, and apples, from \$6.50 a barrel to from \$8 to \$8.50.

For which August Belmont received \$1,500,000 consisted of the acquisition of franchises and the organization of the financing of the subway.

"He was voted \$1,500,000 for his services in getting the franchise for the Eastern Bay Park extension and the City Island Railroad," Mr. Fisher explained.

"Was this franchise ever used?" asked the Corporation Counsel.

"No," Mr. Fisher replied, "subsequently that the company could be organized in another way without that franchise."

"Wasn't it the old mono-rail, which was later sold to the Third Avenue system for \$27,000?"

"Yes," said the witness.

At the afternoon session Mr. Fisher and Mr. Quackenbush both argued that Mr. Belmont's promotion fee was not exorbitant, because of the risk he ran.

"He risked his own fortune and those of his friends," Mr. Fisher declared. "There was more risk in the subway enterprise than in any project in the last 100 years."

Mr. Fisher, answering Mr. La Guardia's query, said the New York and Queens Company was bought as a franchise to the subway, by way of the Eastern Bay Park extension and the City Island Railroad, but that since 1910, when the tunnel franchise was lost through construction delay, there was no chance of it serving this purpose.

"No," Mr. Quackenbush filed with the board a statement of the subway investments of the Interborough as of November 30, 1919, under the original contracts with the city. Equipment under contract No. 1, cost \$37,046,983.46; under contract No. 2, \$1,208,974.58, according to this schedule. It placed the aggregate cost of the Brooklyn extensions to the subway at \$14,732,359 and of the Queensboro Tunnel at \$10,759,739.

The cost of acquiring the lease of contract No. 1 was given as \$6,325,000, including payment of \$2,500,000 to Mr. McDonald, and \$6,000,000 net to the construction company, this total being offset by a profit on construction of \$2,177,000. Working capital requirements were placed at \$8,600,000, and unamortized discount and expenses at \$6,588,174.

The investigation will be continued to-day.

Buses Substituted
For Railway Cars

The steel viaduct, from Richmond Terrace to the St. George Terminal, Staten Island, was used yesterday by city buses. Its use previously had been limited to the Staten Island Midland Railway Company, which ceased operations shortly after midnight Monday morning.

Fifty-one buses were placed in operation, it being the first time that the viaduct has been used by vehicles other than trolley cars. Passengers were discharged and taken on in front of the ferry ticket houses.

Jacob Fremer, temporary receiver of the company, said yesterday that he found of the company's property only four closed cars fit to operate. He found also, he said, four open cars and one sand truck, one flat car and several other cars which can be operated with the viaduct.

Public Service Commissioner Lewis Nixon yesterday said that the safety and adequacy of the equipment of the Staten Island Rapid Transit Railway Company and the Staten Island Railroad Company. The inquiry was started as a result of complaints received.

Governor Accuses Hearst
Of Lie No. 4, Series 1920

ALBANY, Jan. 21.—Governor Smith to-day denied what he called "the No. 4, series of 1920," in "The Mind Gutter," commonly known as "The New York American."

"The Gazette" says, "declared the Governor, which I am charged with having pledged additional votes to pass a 'car-fare grab bill.' This statement is a cold-blooded, deliberate, a willful and a premeditated lie, and I defy Mr. Hearst to give a good committee as signment, with an idea of keeping that district in the Republican ranks and thereby adding a new vote to the Republican list in Oklahoma from the reflected glory he might be able to add as a member of the Military Committee."

Republicans on Warpath

An apparently the fact that Mr. Hearst had voted against the resolution to deny Berger a seat was overlooked in the bright prospect of gaining another Republican seat, but friends of universal military training were not entirely satisfied that Mr. Hearst's pacifist inclinations were forgotten to the same degree.

At any rate, they went out on the warpath. Republican Floor Leader

Republicans in Family Fight Over Harreld

Oklahoman, Who Voted Against Denying Seat to Berger, Is Given Place on Military Affairs Committee

Causes Storm of Protest

Party Caucus Threatened if There Is No Other Way to Undo Mistake

WASHINGTON, Jan. 21.—A quiet little family fight developed among Republicans in the House to-day when it became generally known that the Committee on Committees had selected Representative John W. Harreld, of Oklahoma City, as a member of the Military Affairs Committee to succeed former Representative T. H. La Guardia, who resigned after being elected President of the New York Board of Aldermen.

Mr. Harreld was one of the six members to vote against the resolution denying a seat in the House to Victor Berger, because he had been found guilty of giving aid and comfort to the enemies of the nation during the war with Germany.

Committee Evenly Divided

Mr. Harreld is reported also to be pacifist in his tendencies, and since the Military Committee is about to consider a universal military training provision in the army reorganization bill, his selection caused more excitement about the Republican cloakroom of the House than has been witnessed there in many weeks.

The committee is understood to be quite evenly divided for and against universal military training, although Chairman Kahn has stoutly declared that he will have a majority for such a provision when the time comes for a vote.

But the selection of Mr. Harreld stirred up a spirit of revolt in other hearts than that of Mr. Kahn. A few hours after the Committee on Committees had voted, a group of Republicans were so besieged with protests that they immediately started out to uncover some way to get out of what had all the prospect of becoming a party row that would leave quite a few scars behind it.

When the House adjourned to-night it had been decided first to try to get Mr. Harreld to see the unwisdom of his taking the place and to induce him to agree to not. If this failed, plans were laid to have a member of the committee meetings as he has Representatives in his state. Mr. Grist has twenty-eight votes under the system—more than enough to select Mr. Crowther.

Members of the Committee on Committees explained to-day, when they heard of the way other members had taken the matter to heart, that some arguments had been advanced at the meeting to the effect that Mr. Harreld was a Republican coming from a district in the Republican ranks and that he might be given a good committee assignment, with an idea of keeping that district in the Republican ranks and thereby adding a new vote to the Republican list in Oklahoma from the reflected glory he might be able to add as a member of the Military Committee.

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Mendell was told plainly enough that the Republicans of the House did not purpose to stand for Harreld on the Military Committee, and it was suggested that Mr. Harreld might be quietly informed that he couldn't be of any great service to Oklahoma on that committee anyhow, and that the likelihood which he would get there as a consequence of his vote for Berger was a good deal less than it was.

There were members of the House who went so far to-day as to discuss bringing the matter up at a party caucus. They do not want to bring it up on the floor, where there may be more publicity about it than they care to have.

Chairman Kahn is credited by some of his friends with referring to the action of the Committee on Committees as "peanut politics" and with reporting that the man who proposed Mr. Harreld opposed conscription in the House. He is known to have said defiantly that there isn't any army reorganization bill coming out of the committee unless it has some military training provision in it.

Texas Rangers Given Authority in Oklahoma

AUSTIN, Tex., Jan. 21.—An agreement has been reached by Governor W. P. Hobby with officials of Oklahoma, it is said, whereby a score of Texas Rangers will endeavor to prevent an armed clash between claimants of valuable oil lands in the Red River Valley near Wichita Falls. The Rangers will use force if necessary to prevent an outbreak and will have jurisdiction under the agreement, in Oklahoma as well as in Texas.

Fifty special deputies were assembled on the Oklahoma side of the state line, it was reported, and it was feared that they intended to seize the property for the Oklahoma claimants. Realizing that any hostile move by the Texas Rangers would be a violation of the bonds of the "Irish Republic," he had lunch with Governor Smith, was the guest of honor at a public reception arranged by Mayor Watt, and this evening delivered an address at the armory.

Albany Welcomes De Valera

ALBANY, Jan. 21.—A resolution welcoming Eamon De Valera, "President of the Irish Republic," who arrived in Albany to-day, was adopted unanimously by the Assembly soon after Mr. De Valera reached the city. Assemblyman Martin G. McEue introduced the resolution.

Mr. De Valera's purpose in visiting this city is to stimulate the purchase of the bonds of the "Irish Republic." He had lunch with Governor Smith, was the guest of honor at a public reception arranged by Mayor Watt, and this evening delivered an address at the armory.

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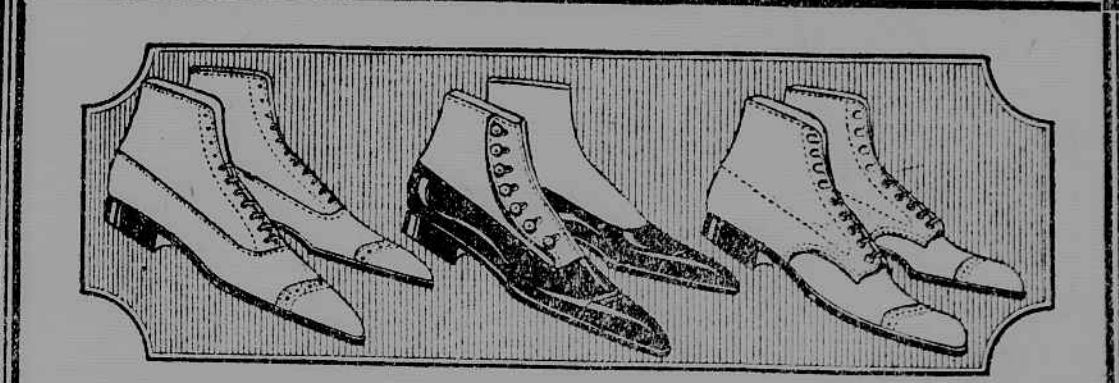
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